



Parking Deck at 2nd & K St NW

200 K Street NW | Square 0560, Lots 830 and 834, Air Rights Lot 7000

Air Rights Above Parking Deck and Adjacent Lots in the Rapidly-Growing Mount Vernon Triangle Neighborhood

Release Date: May 2, 2016

Submission Deadline: September 30, 2016

Responses are to be sent to the following address:

Office of the Deputy Mayor for
Planning and Economic Development
The John A. Wilson Building
1350 Pennsylvania Avenue NW
Suite 317
Washington, DC 20004
Attn: Polina Bakhteiarov, Project Manager



REQUEST FOR PROPOSALS

District of Columbia
Office of the Deputy Mayor for Planning
and Economic Development

INTRODUCTION	2 -
PROJECT DESCRIPTION	4 -
DISTRICT OF COLUMBIA POLICY GOALS AND REQUIREMENTS	6 -
SOLICITATION PROCESS	12 -
EVALUATION PROCESS	17 -
TRANSACTION TERMS.....	20 -
RESERVATION OF RIGHTS & MISCELLANEOUS PROVISIONS.....	21 -
QUESTIONS.....	23 -
APPENDIX A FORM OF ACKNOWLEDGEMENT.....	24 -
APPENDIX B SITE TOUR WAIVER, RELEASE, AND INDEMNIFICATION	25 -
APPENDIX C SCHEDULE OF PERFORMANCE	27 -
APPENDIX D STATEMENT OF MINIMUM BUSINESS TERMS.....	28 -
APPENDIX E FORM IRREVOCABLE LETTER OF CREDIT.....	30 -
APPENDIX F UTILITIES DATA FOR AFFORDABLE HOUSING ..	32 -

Questions regarding this Request for Proposals (RFP) should be submitted via e-mail only to Polina Bakhteiarov, Project Manager, at polina.bakhteiarov@dc.gov. Respondents shall not direct questions to any other person within the District except as allowed elsewhere in this RFP. Responses to Respondent questions will be aggregated and posted on the following website: dmped.dc.gov.

INTRODUCTION

Overview of Development Opportunity

The Government of the District of Columbia (the “District”), through the Office of the Deputy Mayor for Planning and Economic Development (“DMPED”), seeks to develop Lots 830¹ and 834, along with Air Rights Lot 7000 in Square 0560 (collectively, the “Development Parcels,” see Figures 1 and 2 below for Development Parcels Map and Information). The Development Parcels are located directly above the I-395 freeway, bounded by 2nd Street NW to the east, H Street NW to the south, 3rd Street NW to the west, and K Street NW to the north.

DMPED invites qualified development teams (“Respondents”) to respond to this Request for Proposals (“RFP”) for the disposition and development of the Development Parcels, totaling approximately 86,995 square feet, pursuant to either a ground lease of no less than twenty (20) years or a fee simple transfer.

For Air Rights Lot 7000, public records indicate that the existing air rights were created by a certain 1985 Deed,² as restated in a certain 1990 Deed,³ designated as Air Rights Lot 7000 pursuant to a certain Assessment and Taxation Plat dated July 17, 1991,⁴ and delineated on a plat of subdivision filed in Survey Book 176, Page 178 among the records of the Office of the Surveyor of the District of Columbia. Public records further indicate that the area may have been subject to an Urban Renewal Plan for the Northwest Urban Renewal Area from 1968 until 1993 (“1963-1993 Urban Renewal Plan”).⁵ The Urban Renewal Plan provided for the construction and operation of low- to moderate-income housing (the “Residential Use Provisions”), as well as for the construction and operation of a center leg freeway (the “Highway Use Provisions”) below a two-level deck, which is currently the parking garage deck situated under the air rights lot and above the I-395 freeway. Although the Urban Renewal Plan has expired, the plan’s Highway Use Provisions and Residential Use Provisions may continue to be referenced in the title history of the Development Parcels⁶ and may require negotiating releases of the provisions with the District or federal agencies. For example, a certain 1964 HUD Loan and Capital Grant Contract provided financial assistance in support of the Residential Use Provisions. A certain 1970 Supplementary Cooperation Agreement imposed use restrictions and covenants in support of the Highway Use Provisions and Residential Use Provisions. Pursuant to the 1970 Supplementary Cooperation Agreement, certain easements and covenants were created for the benefit of the District of Columbia Department of Transportation (“DDOT”) in support of the Highway Use Provisions.⁷

Due to the location and title history of the Development Parcels, Respondents’ submissions may require review and/or approval by the U.S. Department of Housing and Urban Development (“HUD”), the D.C. Housing Finance Agency (“DCHFA”), the U.S. Department of Transportation’s Federal Highways Administration (“FHA”), DDOT, owners of the existing parking garage under the air rights lot, and/or adjoining landowners or other parties. Respondents are particularly encouraged to work with DDOT in creating their proposed development plans in order to anticipate required local and federal reviews and approvals.

The Development Parcels lie within the Mount Vernon Square neighborhood and are currently zoned C-2-C, which allows by-right high density development of a broad range of uses, including office, hotel, retail, and mixed use. C-2-C permits a by-right FAR of 6.0 (7.2 FAR through the District’s mandatory Inclusionary Zoning program for affordable housing), although non-residential development is limited to a FAR of 2.0. C-2-C permits a by-right height of 90 feet. DMPED seeks a development team that will develop the lots in keeping with the goals set out in this RFP, and DMPED will accept both matter-of-right and Planned Unit Development (“PUD”) proposals. The proposed development plans should further reflect the important value of this site to the surrounding community and embody the following characteristics:

- Economic viability;
- Uses that are compatible with and leverage surrounding neighborhood development;
- Responsiveness to community and stakeholder preferences;
- Innovative landscape and streetscape designs;

¹ Development rights to Lot 830 may include air rights similar to Air Rights Lot 7000 or alternative rights. Respondents are encouraged to include development proposals that consider varying property rights to Lot 830.

² 1985 Deed of Conveyance, recorded on December 12, 1985, Instrument Number 46858.

³ 1990 Corrective Deed, recorded on February 1, 1991, Instrument Number 5261.

⁴ Assessment and Taxation Plat, Square 560, Lot 7000, filed with the Office of Tax and Revenue, A & T Book 3751, Page O.

⁵ The 1963-1993 Urban Renewal Plan for the Northwest Urban Renewal Area, approved by the Board of Commissioners of the District of Columbia on October 10, 1963, recorded on October 22, 1963, in Liber 12091 at folio 359.

⁶ 1979 Deed of Conveyance, recorded on October 19, 1979, Instrument Number 35887.

⁷ 1985 Deed of Easement for the benefit of DDOT, recorded on September 9, 1985, Instrument Number 8500033147, as amended by that certain Amendment and Addendum to Deed of Easement, recorded on July 1, 1988, Instrument Number 8800036032, and re-recorded on July 18, 1988, as Instrument Number 8800038715.

- Retail uses; and
- Recreational uses.

Respondents that present the most innovative, comprehensive, and community supported development proposal may be “short listed” and/or a “best and final offer” may be requested before a final team selection is made.

Solicitation Timeline

The District will endeavor to follow the timetable set forth below; however, the activities and timetable represented below are a guideline only and are subject to change at the District's sole discretion and without prior notice:

Selection Process Timetable (subject to change)	
1. Issuance of RFP	May 2, 2016
Pre-Response Information Session and Site Visit Location: Walker Jones Education Campus, 1125 New Jersey Avenue NW, Washington, DC 20001	May 16, 2016
2. RFP Response Submission Due Date (3:00 PM ET)	September 30, 2016
3. Selection recommendation Panel Interviews	October 2016
Community Presentation by Respondents	October 2016
Request for Best and Final Offer (“BAFO,” If Applicable)	TBD
BAFO Submission Due Date (If Applicable)	TBD
4. Final Selection of Development Team	Fall 2016*
Submission of Disposition Agreement & Accompanying Legislation to District of Columbia Council (“Council”)	Spring 2017*

***Subject to change**

PROJECT DESCRIPTION

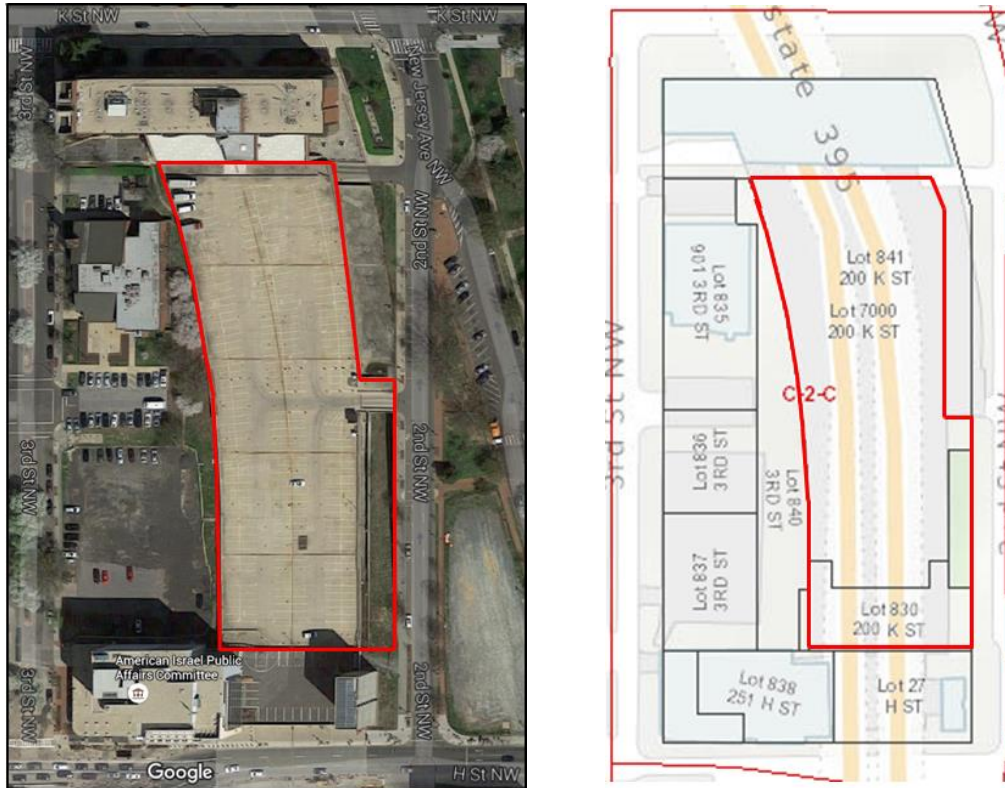


Figure 1: Development Parcels Map. Map not to scale. Parcel location lines are approximate.

Location	<i>Air Rights and Lots along the western side of 2nd Street NW between H and K Streets NW</i>
Square	<i>0560</i>
Lots	<i>Lots 830 and 834, Air Rights Lot 7000</i>
Total Square Footage	<i>Approximately 86,995 sq. ft.</i>
Owner	<i>DMPED</i>
Zone	<i>C-2-C</i>
2016 Assessed Value ⁸	<i>\$21,230,130</i>
Adjacent Stakeholders/Property Owners	<i>Carmel Plaza North Associates, LLP; Mount Carmel Baptist Church; 251 Massachusetts Avenue LLC; American Israel Public Affairs Committee; GRA Properties Limited Partnership; DMPED</i>

Figure 2: Development Parcels Information.

Frontage, Size, and Shape: The Development Parcels are irregular in shape and comprise a portion of Square 0560 between 2nd and 3rd Streets NW and H and K Streets NW. The Development Parcels include the Air Rights Lot 7000 above an existing two-story garage and parking deck, along with Lot 830, which includes a portion of the same existing garage and parking deck, and Lot 834. The three lots together have a total size of approximately 86,995 square feet.

⁸ Per the District of Columbia Office of Tax and Revenue ("OTR") Real Property Assessment Database, https://www.taxpayerservicecenter.com/RP_Search.jsp?search_type=A ssessment.

Existing Uses: The Development Parcels, exclusive of Lot 834, are subject to a monthly license in the form of a right of entry agreement for the operation of the parking lot on top of the garage. Construction of the Capital Crossing development may affect the existing ventilation improvements on Square 0560.

Visibility/Access: The Development Parcels have good visibility and access from 2nd Street NW.

Soil and Environmental: The Development Parcels are offered “as-is.” DMPED makes no representations or warranties as to any soil or environmental conditions at the site.

Property Advantages: The Development Parcels lie between the NoMa and Mt. Vernon Triangle neighborhoods, blocks from the U.S. Capitol Building, Union Station, and the Downtown Business District. Public transit in the form of multiple nearby metro stations and high capacity bus lines provide very good accessibility.

- **Mount Vernon Triangle:** One of downtown’s most vibrant and quickly growing neighborhoods, Mount Vernon Triangle offers an exciting mix of new places to live, work, shop and dine. Location is everything for this 17-square block neighborhood, within walking distance of the Washington Convention Center, Verizon Center, CityCenter DC, Union Station and the Capitol. With 3,700 existing residential units, 1.7 million square feet of office space, and 274,000 square feet of retail space, Mount Vernon Triangle is now a true destination in the heart of Washington, DC. Furthermore, with 1,200 residential units, 1.0 million square feet of office space and another 100,000 square feet of retail under construction or planned over the next few years, the Triangle is high on the list for residents, developers and businesses seeking a downtown location with an authentic neighborhood culture. City Vista, a large mixed-use project with 685 residential units and 117,000 square feet of retail space and a large plaza anchored by public art, is at the center of neighborhood life at 5th and K Streets NW. Perennial DC favorites, such as Busboys & Poets, Taylor Gourmet, Mandu, Chipotle, Sweetgreen, Safeway, 5th Street Ace Hardware and Vida Fitness, draw residents and visitors alike, while neighborhood services abound with locally-owned barbershops, nail salons, dry cleaners, computer services, office supply stores and child care centers. In the past few years, Politics & Prose, A Baked Joint, Eye Street Liquors, Silo, Philos, Alba Osteria, Tunnel Wine and Spirits, BicycleSPACE, solidcore, Orange Theory Fitness and Bhakti Yoga DC have made Mount Vernon Triangle their home, joined by exciting new restaurants such as Alta Strada, L’Homage Bistro Francais and Texas de Brazil. The neighborhood is easily walkable and accessible to public transit with four Metrorail stations (serving the Green, Yellow and Red lines at Mount Vernon Square-Convention Center, Gallery Place-Chinatown, Judiciary Square and Union Station) ringing the neighborhood, along with extensive bus and commuter bicycle service, including the popular DC Circulator and Capital Bikeshare stations. Major thoroughfares serving the Triangle include K Street, Massachusetts Avenue, New Jersey Avenue, New York Avenue and the I-395 freeway.
- **NoMa:** Located between Union Station and Union Market and only a few blocks from the Capitol, NoMa is one of the District’s most exciting mixed-use centers. Today, First Street NE has become NoMa’s central boulevard — a walkable, tree-lined main street complete with bike lanes, retail and pedestrian amenities, anchored by one of DC’s largest Harris Teeter supermarkets. A former industrial area, this 35-block neighborhood will soon be home to more than 22 million square feet of high density, mixed-use development, including thousands of new residential units interspersed with high rise office buildings and new hotels, restaurants, shops, and cafes. Many well-known private companies, nonprofits, and government agencies call NoMa home including Save the Children, CareFirst, Kaiser Permanente, American Medical Association, Mathematica, NeighborWorks, the U.S. Bureau of Alcohol, Tobacco, Firearms and Explosives, the U.S. Department of Justice, and the U.S. Department of Education. NoMa is also a growing hub for media companies like CNN, Sirius XM Radio, CQ-Roll Call, and NPR. NoMa is a bustling, vibrant neighborhood with over \$6 billion in development investment since 2001. There are 54,000 employees in NoMa with dozens of eateries and over 360,000 square feet of existing retail. More than 4,800 apartments are under construction or have recently delivered along with modern office towers, three hotels, and new destination retailers such as REI and Landmark Theatre are coming soon. The neighborhood also has 22 LEED buildings, the eight-mile Metropolitan Branch bicycle trail connecting NoMa to Silver Spring, Maryland, and state-of-the-art biking amenities.

DISTRICT OF COLUMBIA POLICY GOALS AND REQUIREMENTS

First and foremost, the District requires that any proposed development program be economically viable to construct and operate. Additional District goals and requirements are explained below.

Planning and Zoning Framework

The Development Parcels have a base zoning of C-2-C and do not lie within a Historic District.

Comprehensive Plan

The Comprehensive Plan Future Land Use Map designates the south portion of the property on Square 560 for a mixture of High Density Commercial/Residential; the north portion of the lot on Square 560 is designated for a mixture of Medium Density Commercial/Residential. Both designations anticipate residential, office, retail, hotel, or other commercial or mixed-use development. The Comprehensive Plan Generalized Policy Map places this site within a Land Use Change Area, intended to identify areas where change to a different land use is anticipated. For more information, please contact Joel Lawson at (202) 442-8802, joel.lawson@dc.gov. Additional information on the Comprehensive Plan can be found at the Office of Planning ("OP") website: www.planning.dc.gov

Zoning

The Development Parcels are zoned C-2-C, which allows by-right, high density development of a broad range of uses including office, hotel, retail, and mixed-use. C-2-C permits a by-right FAR of 6.0 (7.2 FAR through the District's mandatory Inclusionary Zoning program for affordable housing), although non-residential development is limited to an FAR of 2.0. C-2-C permits a by-right height of 90 feet. Respondents are advised to review the new Zoning Regulations, effective September 6, 2016. Additional information on Zoning can be found at the Office of Zoning ("OZ") website: www.dcoz.dc.gov.

Transportation Planning Framework

DDOT's commitment to building a safe and efficient transportation network will guide all review of transportation-related issues regarding development of the Development Parcels. The Development Parcels have excellent multi-modal transportation access, as they are near multiple Metro stations and several high capacity bus routes. Because of this, DDOT anticipates many people accessing the Development Parcels via non-automobile modes. The Development Parcels are adjacent to two planned transportation projects and one active construction project:

- The conversion of New Jersey Avenue NW from one-way to two-way operations between H Street NW and N Street NW (http://ddot.dc.gov/sites/default/files/dc/sites/ddot/publication/attachments/recommended_multi-modal_alternative_november-30-2012.pdf). This project is fully funded and is expected to begin construction in Spring 2018.
- The Union Station-to-Georgetown streetcar (<http://www.dcstreetcar.com/wp-content/uploads/2013/10/USGT-AA-NoAppendices.pdf>). DDOT is completing an Environmental Impact Assessment to determine the selected alignment and routing. DDOT is interested in facilities for vehicle storage and power needs in the vicinity of the route to support future streetcar service.
- Ongoing changes associated with the Capital Crossing development (<http://www.i395ea.com>). This project is amidst a complex construction process.

Respondents should coordinate closely with DDOT to ensure that development proposals work within and support the aforementioned changes to the transportation network. Proposed changes impacting the District's transportation infrastructure must be consistent with the DDOT Design and Engineering Manual (DEM), and would require close coordination on construction-related transportation issues and a Maintenance of Traffic (MOT) plan. Additionally, development proposals that affect the existing I-395 right-of-way or any structures related to the roadway may be subject to federal environmental review, which would require additional coordination with DDOT and other local, regional, and federal stakeholders. Vehicle site access for the Development Parcels is expected to be consistent with District standards, guidelines, and policies. DDOT encourages minimizing vehicular parking spaces due to site access constraints, existing traffic volumes in the area, and excellent transit access, which offers substantial transportation alternatives.

Additional information on DDOT's policies regarding development review guidelines can be located at DDOT's website: <http://ddot.dc.gov/page/development-review>.

For more information, please contact Jonathan Rogers of DDOT's Policy, Planning, and Sustainability Administration at (202) 671-3022, jonathan.rogers2@dc.gov.

Public Space

DDOT, in partnership with OP, works to ensure the design of public space is of high quality and meets minimum requirements. To this end, the District has in place streetscape standards, guidelines, and policies to guide changes to public space. Uses that impact the character of public space include sidewalk cafes, vending, street festivals, and other impermanent activities. Physical features that impact the character of public space include sidewalk paving material, fences and retaining walls, street trees and their spacing, vault spaces, other infrastructure like street lights or curbs and gutters, and any building encroachments into the public space. Existing curb cuts must be retained and reused, and there will likely be concerns with approving new or existing curb cuts from H Street NW. Further, vault uses are expected to be accommodated on private property. Full restoration of the public space is expected and must be consistent with the planned changes to the right-of-way associated with ongoing and planned DDOT projects in the vicinity.

The Applicant may refer to the District of Columbia Municipal Regulations and DDOT's Design and Engineering Manual (<http://ddot.dc.gov/page/design-and-engineering-manual>) for specific controls of public space. A summary can be found in DDOT's Public Realm Design Manual (<http://ddot.dc.gov/PublicRealmDesignManual>).

For more information, please contact Jonathan Rogers of DDOT's Policy, Planning, and Sustainability Administration at (202) 671-3022, jonathan.rogers2@dc.gov.

Affordable Housing

In the District's efforts to provide a greater number of Affordable Dwelling Units (ADUs), if a Respondent's proposed development plan includes a residential component, then Respondent's proposal must include, at a minimum, the number of ADUs at the AMI (defined below) levels that are required by the Inclusionary Zoning provisions of the District of Columbia Zoning Regulations (11 DCMR §§ 2600 *et seq.*), as applicable, and the Disposition of District Land for Affordable Housing Amendment Act of 2014 (D.C. Act 20-485) ("ADU Act"). Under the ADU Act, proposals with residential components are required to provide 30% of the units to be affordable for the life of the building. Respondents are encouraged to propose more affordable housing than the minimum requirements.

Each Respondent should use the most current Department of Housing and Urban Development (HUD) uncapped AMI data (reference Chart 1). While Chart 1 presents the most current data, new AMI data is published annually. The rent calculation formula is provided in Chart 2, the Occupancy Standard Factor used to price each ADU is provided in Chart 3, and the sale price formula is provided in Chart 4. All affordable rent payments collected by the future property owner from the tenants or third parties on behalf of tenants may not exceed the Maximum Allowable Rent for an ADU (reference Chart 2). Appendix F ("Utilities Data for Affordable Housing") may be updated periodically by the District of Columbia Housing Authority. The initial sales price for an affordable unit may not exceed the Maximum Allowable Sales Price for ADUs (reference Chart 4).

Respondents shall describe the strategy for marketing, operation and administration of their affordable housing units. Partnering with an organization that has demonstrated expertise in the administration, operation and management of affordable housing is encouraged, if Respondent does not already have this expertise.

Chart 1: Income Limits based on the AMI for Washington, DC MSA as of March 2016

Household Size	100% AMI	80% AMI	60% AMI	50% AMI	30% AMI
1	\$ 76,020	\$ 60,816	\$ 45,612	\$ 38,010	\$ 22,806
2	\$ 86,880	\$ 69,504	\$ 52,128	\$ 43,440	\$ 26,064
3	\$ 97,740	\$ 78,192	\$ 58,644	\$ 48,870	\$ 29,322
4	\$ 108,600	\$ 86,880	\$ 65,160	\$ 54,300	\$ 32,580
5	\$ 119,460	\$ 95,568	\$ 71,676	\$ 59,730	\$ 35,838
6	\$ 130,320	\$ 104,256	\$ 78,192	\$ 65,160	\$ 39,096

Chart 2: Affordable Housing Rent Calculation Includes Monthly Utilities

Affordable Housing Rent Calculation	
MAR=(AMI*DAL*OSF*30%)/12-MU	
MAR	Maximum Allowable Rent
DAL	Designated Affordability Level
MU	Monthly Utilities (reference Appendix F)
AMI	Area Median Income at 100% for a 4 person household
OSF	Occupancy Standard Factor (reference Chart 3)

Chart 3: Occupancy Standard Factor for Affordable Housing Calculations

Occupancy Standard Factor		
Size of Affordable Unit	Occupancy Pricing Standard (Average Occupancy per Unit)	Occupancy Standard Factor
Efficiency/Studio	1	.7
1 Bedroom	1.5	.75
2 Bedroom	3	.9
3 Bedroom	4.5	1.05

Chart 4: Affordable Housing Sale Price Calculation

Affordable Housing Sale Price Calculation	
1. Determine the Maximum Monthly Payment: Maximum Monthly Payment =((AMI*DAL*OSF*30%)/12) –FEES	
MSP	Maximum Sales Price
AMI	Area Median Income at 100% for a 4 person household
DAL	Designated Affordability Level
OSF	Occupancy Standard Factor (reference Chart 3)
FEES	Condominium Fees (\$0.61 per Square Foot), Homeowners Association Fees (\$0.10 per Square Foot), Real Property taxes at current real property tax rates assuming Homestead Deduction, and Monthly Hazard Insurance Fees for Single Family Homes = \$125.00
2. Use Maximum Monthly Payment to Determine the Affordable Mortgage assuming a conventional thirty (30) year, fixed-rate, fully amortizing mortgage at the national average mortgage rate as published by the Federal Housing Finance Agency at www.fhfa.gov plus a one and a half percent (1.5%) cushion to protect for future interest rate increases.	
3. Determine the Sale Price assuming a 5% Down Payment Maximum Sales Price = Affordable Mortgage / 95%	

Community and Stakeholder Outreach

The success of any development project hinges on the inclusion and support of the surrounding community. Respondents are strongly encouraged to work with the Advisory Neighborhood Commission (ANC) 6E, the Mount Vernon Triangle Community Improvement District (MVTICID), and community residents to understand how to meet the community's goals in a development proposal. Responses to this RFP must consider and incorporate stakeholder and community preferences, to the extent feasible and practical.

Sustainability and Green Building Requirements

The Development Parcels shall be developed in compliance with the District of Columbia's Green Building Act of 2006, codified in D.C. Official Code § 6-1451.01 *et seq.* (2012) and the District's storm water management regulations published in [Chapter 5 of Title 21](#) of the DCMR and [Chapter 31 of Title 20](#) of the DCMR. Specific design criteria are stated in the District's Storm Water Guidebook which is available online at <http://doee.dc.gov/publication/stormwater-guidebook>.

The Sustainable DC Plan was established to ensure that the District become the healthiest, greenest, and most livable city in the nation. The Plan encompasses 32 goals and 31 targets, and offers 143 specific actions in the areas of the built environment, energy, food, nature, transportation, waste and water. The Sustainable DC Plan is found at <http://www.sustainabledc.org/about/sustainable-dc-plan/>. Respondents should review the plan and highlight their qualifications and experience in developing sustainable projects, if any, in their response.

Furthermore, as outlined in the Sustainable DC Plan, the District of Columbia has committed to improving the performance of existing buildings and ensuring the highest standards of green building design for new construction. By 2032, the city has committed that retrofits of existing commercial and multi-family buildings and all new construction projects meet net-zero energy use standards. The existing laws and regulations, including the Green Building Act of 2006, the DC Green Construction and Energy Conservation Codes, and the stormwater regulations, among others, provide a strong foundation for the broader sustainability goals of the District. However, in order to achieve the targets set forth in the Sustainable DC Plan, the DC government plans to lead by example and give additional consideration for projects that are exceeding the basic legal requirements and forging a path towards true sustainability. Therefore, in this RFP, preference may be given to projects that:

- Exhibit a commitment to environmental performance beyond the requirements set forth in existing laws and regulations, including commitments to LEED v4 certification at the Platinum level or higher.
- Surpass basic LEED certification by designing to be net zero energy “ready” (deep efficiency with energy use intensities below 30 kBtu/square foot/year), achieve net positive energy (either produced onsite and/or from newly installed renewable energy in the region), net zero waste (meaning above 90% diversion of waste both during construction and when occupied), and/or retain stormwater volume for the 1.7 inch rain event or higher, and collect and reuse rainwater and greywater onsite; OR
- Design and construct to achieve either full or partial certification under the Living Building Challenge program. The Living Building Challenge is the world’s most rigorous building performance standard. Projects achieving full certification demonstrate a connection to nature and place, net-positive energy generation, net-zero water use, healthy and active design, integration of ecologically responsible material, and equitable development strategies.

DC-specific market analysis reveals that there are strong financial incentives for building deeply green, utility efficient, buildings with renewable energy systems. The [*Net Zero and Living Building Challenge Financial Study: A Cost Comparison Report for Buildings in the District of Columbia*](#) found a 3-year simple payback for typical multifamily, commercial retrofits, or office new construction when incorporating deep energy efficiency and then achieving net zero energy by deploying renewables. A [*national study of solar financial incentives*](#) also lists DC as one of the top cities to invest in solar photovoltaics.

To build capacity for this type of deep green building, the District government has a range of initiatives that include financial assistance resources for potential project teams. These include the [DC Sustainable Energy Utility](#), [DC PACE Program](#), [RiverSmart Communities](#), [RiverSmart Rewards](#), [RiverSmart Rooftops](#) and the [Stormwater Retention Credit Trading](#) programs.

For more information, contact Jay Wilson of DOEE’s Urban Sustainability Administration at 202.535.2460, jay.wilson@dc.gov.

First Source

Pursuant to DC Code § 10-801(b)(7) and the Workforce Intermediary Establishment and Reform of the First Source Amendment Act of 2011 (D.C. Law 19-84, D.C. Official Code §§ 2-219.01 et seq.) and the rules and regulations promulgated thereunder and Mayor’s Order 83-265, Respondents recognize that one of the primary goals of the District of Columbia government is the creation of job opportunities for District of Columbia residents. Accordingly, the Respondent selected by the District to negotiate a disposition agreement shall enter into a First Source Employment Agreement, prior to execution of a disposition agreement, with the Department of Employment Services (“DOES”) that shall, among other things, require the Respondent to: (i) hire and require its architects, engineers, consultants, contractors, and subcontractors to hire at least fifty-one percent (51%) District of Columbia residents for all new jobs created by the development project, all in accordance with such First Source Employment Agreement and (ii) ensure that at least fifty-one percent (51%) of apprentices and trainees employed are residents of the District of Columbia and are registered in apprenticeship programs approved by the DC Apprenticeship Council as required under D.C. Official Code §§ 32-1401 et seq. Collective bargaining agreements shall not be the basis for the waiver of these requirements. Respondents must complete the [Form of Acknowledgement attached as Appendix A](#).

Please contact DOES to obtain a copy of the First Source Employment Agreement template.

For more information, please visit the DOES website: does.dc.gov and contact Gerren Price, Deputy Director of Business Engagement at (202) 698-6006 or gerren.price@dc.gov.

Certified Business Enterprises

The Respondent selected by the District to enter into a disposition agreement shall comply with the requirements of the Small and Certified Business Enterprise Development and Assistance Act of 2005, D.C. Official Code §§ 2-218.01 et seq. ("CBE Act"). Pursuant to D.C. Official Code §10-801(b)(6) and the CBE Act, the selected Respondent shall subcontract to Small Business Enterprises ("SBEs") at least 35% of the total development budget. If there are insufficient qualified SBEs to fulfill the 35% requirement, the requirement may be satisfied by subcontracting 35% to qualified Certified Business Enterprises ("CBEs"). A CBE Respondent selected is not required to comply with the 35% SBE subcontracting requirement if the entire development project is performed using its own organization and resources. Pursuant to §2-218.49a of the CBE Act, Small Investors, Disadvantaged Investors, or Certified Equity Participants shall invest at least 20% of the total sponsor equity, excluding debt financing, mezzanine financing, or other equity contributions by limited or institutional investors; and, in addition to complying with the general 35% SBE subcontracting provisions, at least 20% of the dollar volume of non-construction development goods and services shall be subcontracted to SBEs, and if there are insufficient qualified SBEs to fulfill this requirement, then the requirement may be satisfied by contracting 20% of that dollar volume to any qualified CBEs. If the entity that controls the development project is an entity tax-exempt under 26 U.S.C.S. § 501(c), or other not-for-profit entity, such entity is exempt from the equity and development participation requirements, pursuant to §2-218.49a of the CBE Act, set forth above. The District's Department of Small and Local Business Development ("DSLBD") determines which entities are certified as SBEs, CBEs, Small Investors, Disadvantaged Investors, and Certified Equity Participants pursuant to the CBE Act. Respondents are encouraged to exceed the District's SBE/CBE subcontracting and participation requirements. Respondents must sign the Acknowledgement Form attached as Appendix A and return to DSLBD prior to executing a disposition agreement.

For more information, please contact Tabitha McQueen, General Counsel at DSLBD at (202) 727-4894, tabitha.mcqueen@dc.gov.

Davis Bacon

To the extent applicable, the selected Respondent shall be required to develop the Development Parcels in compliance with the provisions of the Davis-Bacon Act, 40 U.S.C. § 276(a), and the regulations promulgated therewith. It shall be the Respondent's responsibility to determine if the Davis-Bacon Act is applicable.

Hotel Uses

A Respondent whose response contemplates a hotel use within the building will be required to enter into a Labor Peace Agreement as required under "Hotel Development Projects Labor Peace Agreement Act of 2002," D.C. Official Code §§ 32-851 et seq. with any labor organization that seeks to represent employees involved in hotel operations at the property as a part of its response to the RFP. "Labor Peace Agreement" means a written agreement between the Respondent and the labor organization that contains, at a minimum, a provision prohibiting the labor organization and its members from engaging in any picketing, work stoppage, boycott, or other economic interference with the Respondent's operations or the Project. The requirement above shall be included in any request for proposals or similar solicitations by the Respondent that pertains to hotel operations at the property.

Local Hiring & Business Opportunities

Respondents are encouraged to incorporate the following into their development proposals:

- Employment and business opportunities for local residents and businesses; and
- Opportunities for District neighborhood-based business to participate in the development project.

Minimum Ground Lease Terms

The District has provided more information about the disposition structure in the "RFP Process" section below. A ground lease with a term in excess of twenty (20) years (inclusive of options) will require authorization of Council in accordance with D.C. Official Code § 10-801 (2012 supp.) prior to the District's execution or contractual obligation to enter into the ground lease with the selected Respondent. Respondents should be aware that the Mayor's request for Council authorization under D.C. Official Code § 10-801 must be accompanied by an appraisal, economic factors considered, and justification for the financial terms negotiated in the ground lease.

The Respondent shall be solely responsible for the costs of redevelopment, remediation, and future operation of the property. The Respondent shall be solely responsible for the payment of all utilities, permit fees, assessments, and taxes relating to the property, including, if applicable, possessory interest tax assessed under D.C. Official Code § 47-1005.01. Upon the expiration or early termination of the ground lease, all present and future alterations, additions, renovations, improvements, and installations located on or within the building shall be deemed to be the property of the District and, upon the tenant's vacation or abandonment, shall

remain upon and be surrendered with the property. All movable goods, inventory, office furniture, equipment, trade fixtures, and any other movable personal property belonging to tenant that are not permanently affixed to the building shall remain the tenant's property.

Development Program

DMPED encourages development proposals that include the following:

- High quality and innovative architectural design. Proposals should incorporate architectural images of the proposed project to show how it complements the neighborhood character while accommodating necessary uses. Design layouts should produce a varied and interesting pedestrian environment by which to enhance the liveliness of the public sidewalk next to the site.
- Recreational and community uses and elements.
- Mixed-use development including retail that would serve the neighborhood and broader areas.
- Proposals that include preferences for District-based businesses, and/or businesses that hire District residents, are strongly encouraged. Additionally, Respondents are encouraged to include in their proposals retail space for local and emerging businesses.
- Respondents are encouraged to include in their proposals an appropriate amount of parking that reflects the Development Parcels' proximity to a Metro station and other transportation infrastructure.

SOLICITATION PROCESS

DMPED is releasing this RFP on behalf of the Government of the District of Columbia. The RFP is posted on DMPED's website: dmped.dc.gov.

Pre-Response Information Session and Site Visit

DMPED will conduct an information session and introductory site visit at Walker Jones Education Campus on Monday, May 16, 2016 from 10am until 12pm. This session is strongly recommended for all Respondents.

The tentative schedule for the Pre-Response Information Session and Site Visit is as follows:

10:00am: Arrive and Check-in
10:15am: Information and Q&A Session
11:00am: Site Walk

Respondents can RSVP by Friday, May 13, 2016 by emailing polina.bakhteiarov@dc.gov with the name, organization, phone number, and email address of each anticipated attendee.

ALL ATTENDEES SHOULD COMPLETE THE SITE TOUR WAIVER, RELEASE, AND INDEMNIFICATION FORM THAT HAS BEEN ATTACHED AS APPENDIX B. WAIVER FORMS WILL BE COLLECTED PRIOR TO ADMITTANCE TO THE PRE-RESPONSE INFORMATION SESSION & SITE VISIT. THOSE WHO HAVE NOT COMPLETED THE WAIVER, RELEASE, AND INDEMNIFICATION FORM WILL NOT BE PERMITTED ON SITE.

RFP Proposal Submission Requirements

The District will determine, in its sole discretion, whether each response received is responsive to the RFP and acceptable. The decision of the District in this regard is final and any determination on non-responsiveness will be explained to the applicable Respondent(s) upon request. **Responses that do not meet the following requirements will be deemed "Non-Responsive" and will not be considered for selection.**

Format

All responses must meet the following format requirements:

- Response shall be prepared on 8 ½" x 11" letter-size paper, bound length-wise, with tabs to separate sections.
- Responses must respond to each RFP item in the order outlined below in the "Response Contents" section. Each sub-section must be separated by tabs with sub-section headings.
- Responses must not exceed a total of one hundred pages, including appendices, on fifty sheets of double-sided paper.

Proposal Contents:

Tab 1: Transmittal Letter

Respondents shall provide a Transmittal Letter with their response. The Transmittal Letter should highlight key components of the Respondent Team's response. In particular it should articulate (1) the vision for the Development Parcels, which identifies any proposed tenant(s) and their use(s); (2) how the District and surrounding neighborhood will benefit from the proposed project (i.e., economic impact, job creation, public access, etc.); (3) how the project will incorporate the community goals established through the community outreach and engagement process; and (4) how the proposed project fits within the existing neighborhood fabric.

Tab 2: Project Team

Respondent Team Identities & Details

The Respondent's Project Team should be introduced and described. The "Project Team" is defined as the lead developer plus any other developers, tenants, and key team members, such as architects, engineers, contractors, lenders, attorneys, historians, etc. who are critical for consideration by the District. Respondents should provide an organization chart and information that clearly explains the relationship, as well as the management structure among team members, Certified Business Enterprise entities, their respective roles and contributions to the Project, and the structure of team decision-making.

Respondents shall identify the following key team entities:

Development Partners	<i>Identify any and all development partners for the project. Please identify (a) the decision making individual for the entity and, if different, (b) the day-to-day lead individual who will be available to respond to questions or requests for additional information.</i>
Tenant Partners	<i>If applicable, identify any proposed tenant(s) for the project.</i>
Financial Partners	<i>If applicable, identify any construction and permanent lenders, major investors, and other key consultants, if any, included in the financing plan.</i>
Design Team	<i>If applicable, identify any architects, engineers, consultants, etc. included as part of the proposed team.</i>
Other Relevant Team Members	<i>If applicable, please identify.</i>

For each team entity identified in the section above, Respondents shall provide the following information for the point-of-contact at each entity:

Name	<i>First and last name</i>
Address	<i>Business address</i>
Telephone Number	<i>Business telephone number</i>
Email Address	<i>Business email address</i>
Title	<i>Business title</i>

Finally, Respondents shall provide information that explains the relationship among team members, Certified Business Enterprise entities, their respective roles and contributions to the project, and the overall management of the team.

Tab 3: Legal Submittals

Statement Regarding Debarments, Suspensions, Bankruptcy, or Loan Defaults

Respondents shall provide a statement regarding any debarments, suspensions, bankruptcy, or loan defaults on real estate development projects and/or government contracts of any of the bidding team's entities or affiliates (listed above in "Respondent Team Identities & Details").

Evidence Regarding Tax Liabilities

Respondents shall provide a statement regarding any tax liabilities and other government impositions that are not current for any of the bidding team's entities (listed above in "Respondent Team Identities & Details").

Evidence Regarding Litigation

Respondents shall provide a statement regarding any ongoing or knowledge of threatened litigation in which the District is a party that relates to any team member, affiliate or to any other entity or individual having a controlling interest in the entity (or entities) that comprise Respondents. If such litigation exists, Respondents shall provide the name and civil or criminal action number of such litigation and a description of the subject matter of such litigation.

Tab 4: Respondent Team Structure

Organization Status

Respondents shall provide the status of the primary entities (developers, tenants, etc., and whether each entity is a corporation, a non-profit or charitable institution, a partnership, a limited liability corporation, a business association, joint venture, or other) indicating under which laws they are organized and operating, including a brief history of each organization and its principals. For any entity required to file reports in the jurisdiction of its formation, include a certificate of good standing for such jurisdiction and a certificate of good standing showing that it is registered in the District.

Organizational Chart and Bios

Respondents shall provide an organizational chart showing key personnel from the primary entities (developers, tenants, etc.) and/or joint venture partners who will be working on the project and a brief bio for each person outlining relevant experience.

Evidence Regarding Creation of Respondent

Respondents shall provide a copy of any written agreements or documents evidencing the creation of Respondent or the primary entities comprising the Respondent; however, it is not necessary to have a project-specific legal entity formed in advance of submitting a response. The principals, partners, or joint-venture partners who are part of Respondents' team must be eligible to transact business with the District and in the District.

Tab 5: Qualifications and Experience

Respondent shall exhibit their ability to deliver an economically viable project by identifying three (3) urban infill development projects comparable to the scale and program of Respondent's proposed project, with which the Respondent or their key personnel have had primary involvement. Respondent should include past projects that have a comparable mixed use component. For each relevant project, Respondent shall identify the following:

- i. Development Team name;
- ii. Project name or title;
- iii. Location or address of project;
- iv. The names and contact information for team members involved in the project, along with a description of each party's role in the project;
- v. Description of project, including use(s), total square footage and number of units, keys, etc. (if applicable);
- vi. Period of performance;
- vii. Estimated total development costs, if project is not yet complete, OR actual total development costs, if project is complete;
- viii. Projected groundbreaking and completion date, if project is not yet complete, OR actual groundbreaking and completion date, if project is complete;
- ix. Proposed OR actual financing structure of the project;
- x. If applicable, highlight experience in obtaining LEED or Green Communities certifications. Highlight in particular expertise in the areas of energy efficiency, on-site clean energy generation, green roofs, and/or environmentally friendly technologies.
- xi. Illustrative materials that will help the District evaluate the caliber, innovation and relevant experience of the Development Team; and
- xii. References (at least one per project), including names, mailing addresses, e-mail addresses, telephone numbers, and a letter authorizing each reference to respond to inquiries regarding the design, financing, development, disposition, or management of prior projects.

Tab 6: Project Concept

Respondents shall describe, in detail:

- i. The overall concept and vision for each of the Development Parcels; and describe how the vision will integrate with and enhance the surrounding community that borders the Development Parcels;
- ii. Development plans (Respondents are strongly encouraged to provide conceptual design drawings that are sufficient in detail to be easily evaluated by the District, including elevations and project renderings);
- iii. Each proposed use for the Development Parcels and the following for each use:
 - a. Name of tenant or operator;
 - b. Current form of agreement with tenant or operator and Letter of Intent (LOI);
 - c. Approximate square footage and location of the use in the building;
 - d. Proposed hours of operation;
 - e. Whether or not the use will be accessible at any time to the public; and
 - f. Evidence of market demand for each of Respondent's proposed uses.
- iv. Evidence of market demand for each of Respondent's proposed uses;
- v. Respondent's property rights in other parcels, if any, that may be accretive to the project;
- vi. The project's zoning strategies, including a detailed explanation and justification for any proposed variance from the zoning requirements or PUD. If applicable, Respondents should provide a schedule that fully describes each step in the approval process necessary for entitlements assumed in the response; and
- vii. If applicable, the phasing plan that describes Respondent's strategy and timing for delivering various components of the project.

Respondents may submit more than one project concept and vision for the Development Parcels.

Tab 7: Project Budget Sources and Uses

Respondents shall provide a "Sources and Uses" analysis that shall include the following, at a minimum:

- Uses: A detailed project budget that breaks down all costs to be incurred to construct new improvements on the Development Parcels including hard costs (including base building costs, contingencies, furniture, fixture, and equipment costs, etc.); softs costs (including architecture fees, engineering fees, professional service fees, development fees, etc.); and acquisition and financing costs.
- Sources: A breakdown of all funds to be obtained (including equity, debt, fundraised capital, non-District funding, etc.) for the payment of the Uses in the project.

Sources and Uses should not show any gaps or shortfalls. DMPED will not be providing any public subsidy to fill any funding gaps or shortfalls.

Tab 8: Project Development and Operating Pro Forma

Respondents shall provide a detailed development and operating pro forma for all income-producing uses proposed to be operated out of the project from pre-development through stabilization and for 10 years beyond the projected stabilization year. Respondents shall use the Developer's Kit, which can be found online at <http://dmped.dc.gov/node/1158851>. Please carefully review the instructions contained in the first tab of the Kit. Should you have questions about the Developer's Kit, please contact Polina Bakhtiarov, Project Manager, at polina.bakhtiarov@dc.gov.

Tab 9: Proposed Financing Strategy

In determining economic feasibility, Respondent should take into account all available sources of financing (e.g., tax credits) or other private or federal assistance that may benefit the project. DMPED will not be providing any public subsidy to fill any funding gaps or shortfalls. Respondents should provide:

- i. Respondents' equity commitment to the project and the timing/disbursement of that commitment;
- ii. A proposed project financing strategy, including a listing of all anticipated sources of construction and permanent financing (including interest rates; amortization type and period; ex-ante return on assets and equity, and internal rate of return; covenants; coverage ratios; and all other relevant information)
- iii. Detailed description of which, if any, federal government funding sources the Respondent intends to attract to the project.
- iv. Satisfactory evidence of Respondent's ability to secure project debt and equity, including commitment letters from prospective investors.

Tab 10: Financial Capacity

The District seeks to evaluate Respondents' ability and willingness to invest sponsor equity and self-fund project predevelopment costs (***Respondents are hereby put on notice that all such money expended is at the sole risk of the Respondent and under no circumstances shall the District be responsible to reimburse the same***). Therefore, Respondents should include the following items:

- i. A description of the financial capacity of Respondent's team members (including proposed tenants), in the form of annual reports, balance sheets, profit and loss statements, evidence of lines of credit and uncommitted discretionary sources of equity, and/or any other material financial statements; and
- ii. A description of the amount of sponsor equity **committed** to the acquisition and rehabilitation of the building.

Tab 11: Project Schedule

Respondents shall identify and describe a timetable and milestones from award through project completion. Respondent is required to complete and submit with the response the "Schedule of Performance" attached in Appendix C.

Tab 12: Statement of Minimum Terms

Respondents shall complete the Term Sheet attached as Appendix D, which Term Sheet shall serve as the basis for negotiations of a disposition agreement with the selected Respondent. The Development Team may propose both or either a ground lease and/or the purchase of a fee interest of the Development Parcels for the District's consideration.

Tab 13: Community & Stakeholder Outreach

The District is committed to maximizing community benefits for its residents and expects Respondents to consider and incorporate stakeholder and community preferences into their project, to the extent practical. In view of this commitment, Respondents must present:

- i. A detailed description of the activities and strategies completed to date that demonstrate the Respondent's efforts to work with the local community and stakeholders to ensure their meaningful involvement in the submitted response; and
- ii. A detailed description of the post-award approach and strategies to working with the local community and stakeholders to ensure their meaningful involvement in the development process.

Tab 14: First Source, Certified Business Enterprises, and Local Hiring

First Source & Certified Business Enterprises

Respondents must complete the Form of Acknowledgement attached as Appendix A. Please refer to the "District of Columbia Policy Goals & Requirements" section of this RFP for details regarding the First Source Agreement and the Certified Business Enterprise Agreement that the selected Development Team Respondent shall enter into with the District.

Local Hiring & Opportunities

Respondents are encouraged to incorporate in their responses the following:

- i. *Employment and business opportunities for local residents and businesses.*
If included, Respondents are asked to submit detailed plans for apprenticeship programs that facilitate placing existing District residents into employment opportunities within the project. The commitment and strategy to develop and implement a local apprenticeship program shall be in accordance with D.C. Official Code §§ 32-1401 et seq. Please contact DOES at 202.698.5099 for more information.
- ii. *Opportunities for District neighborhood-based business to participate in the project.*
If included, evidence of the inclusion of such businesses should be submitted in the form of written confirmation from such neighborhood-based businesses and shall include the scope and details of the said businesses' involvement in the project.

Tab 15: Response Summary for Distribution to the Community

Respondents shall provide a summary of their response that may be shared with the local community and stakeholders. Summaries should not exceed 300 words.

Deposit

Amount:	\$50,000
Format:	Standby, irrevocable letter of credit (See Appendix E for form)
Due At:	RFP response submission
Conditions:	If a Respondent's response is not selected, the letter of credit shall be returned to the Respondent. If a Respondent's response is selected, the letter of credit will be considered a non-refundable deposit, only to be returned upon the Respondent's successful completion of Closing as determined by the District through the terms of the disposition agreement.

Submission Directions

Five (5) hard copies and one (1) electronic version on a thumb drive in PDF and Excel formats, of the response and the Deposit, must be submitted by 3:00 P.M. on September 30, 2016. Such responses must be identified by "Parking Deck at 2nd & K St NW – RFP Response" on the envelope and delivered to the following address:

Office of the Deputy Mayor for Planning and Economic Development
The John A. Wilson Building
1350 Pennsylvania Avenue NW
Suite 317
Washington, DC 20004
Attn: Polina Bakhtiarov, Project Manager

EVALUATION PROCESS

Selection Recommendation Panel

A multi-agency Selection Recommendation Panel ("Panel") may be established to review and evaluate the responses. If established, the composition of the Panel will be determined by the District, in its sole discretion. DMPED and/or the Panel may consult with professional consultants, advisors, and other stakeholders for technical assistance. DMPED and/or the Panel will evaluate each response, taking into account the information provided in response to the RFP and the best interests of the District.

Evaluation Criteria

Successful proposals will demonstrate that the Respondent has (i) a proposed use(s) for the Development Parcels that are consistent with District's Policy Goals and Requirements and community preferences identified through a community outreach and engagement process; and (ii) the financial capacity and ability to successfully close the transaction and offer an attainable redevelopment timeline to convert the Development Parcels to their optimal utility.

Among other factors, responses will be evaluated for completeness, market feasibility, innovative ideas, strength of community benefits, and the strength of the financial response. The basis upon which Respondents will be measured includes, but is not limited to, the following:

Attainment of District Policy Goals

The District will more highly rate Development Teams who:

- i. Maximize economic value to the District;
- ii. Demonstrate, through entity experience and expertise of proposed key personnel, that they are qualified to execute a high-quality project of this scale;
- iii. Provide evidence of sufficient organizational and financial capability to ensure on budget and timely delivery of the Project; and
- iv. Improve the quality of life for the surrounding neighborhood by incorporating the District's goals with respect to promoting vibrant, walkable, mixed-use neighborhoods and commercial corridors.

More specifically, higher ratings will be given to Respondents who achieve and exceed the following District policy goals by:

- i. Assembling nearby public or private parcels into the development proposal;
- ii. Maximizing the overall economic benefit to the District, including:
 - Maximizing the development envelope such as through assemblage of nearby land parcels or modification of current zoning;
 - Maximizing value to the District through land value proceeds (paid by Respondent to the District) and incremental property and sales taxes; and
 - Maximizing community benefits, including affordable housing and job creation and/or apprenticeship programs for District residents, particularly for residents within 1-mile of the property.
- iii. Seeking the least amount of subsidy (either through a reduction in fair market value or through other District or federal public financing tools) to fill anticipated financing and/or investment gaps in the Project's capital structure.
- iv. Providing Ward 6 residents and businesses with opportunities to participate in the Project. Evidence of the inclusion of such businesses shall be in the form of written confirmation from such neighborhood-based businesses, which shall include the scope and details of the said businesses' involvement in the Project.

Incorporation of Community Preferences

Teams should propose innovative, market-viable ideas for redevelopment of the site. Higher ratings will be given to Respondents who design development programs that:

- i. Incorporate a variety of recreational options;
- ii. Envision an innovative architectural design that establishes a signature gateway at the northern end of the Capitol Crossing development project, in the heart of the Mount Vernon Triangle neighborhood;
- iii. Uses that are compatible with and leverage surrounding neighborhood development;
- iv. Incorporate a variety of retail options that include both neighborhood-oriented retail or services and destination retail;
- v. Stimulate pedestrian activity, include vibrant streetscapes, and sustainably landscape the surrounding public space;
- vi. Create a sustainable development that has a minimal impact on the environment and strives to achieve higher levels of green building than the minimum requirements (See Page 8); and
- vii. Create local hiring and business opportunities.

Project Financial Feasibility and Team's Financial Capacity

Teams whose responses satisfy the following criteria may be eligible for higher ratings:

- i. Demonstrate that they possess the financial resources to execute the project requirements;
- ii. Provide realistic and achievable funding plans, including a sources and uses table and a complete pro-forma using the Developer's Kit available on the project website;
- iii. Display a willingness to provide the District with fair consideration for its real property assets. Land payment(s) to the District will be strongly considered;
- iv. Demonstrate significant investments of "at risk" capital during the pre-development and development process; and
- v. Exhibit a willingness to provide the District with a meaningful guarantee regarding payment and performance through final project completion.

Announcement of Short List

Upon review of the responses, DMPED and/or the Panel may, at its sole discretion, identify a short list of Respondents and has the sole and absolute discretion to conduct discussions with all, or some, of the Respondents on the short-list via "Best and Final Offer" submissions. DMPED will contact all Respondents and inform them of the results of the selection review process.

Best and Final Offer Submission

Upon review of the responses, DMPED and/or the Panel may, at its sole and absolute discretion, conduct discussions with all, or some, of the Respondents via "Best and Final Offer" submissions. If Respondents are asked to submit a "Best and Final Offer", Respondents are expected to adhere to the additional guidance provided by DMPED and submit a final revised proposal for DMPED's final consideration. Upon receiving the "Best and Final Offer", DMPED reserves the right to have additional rounds of requests for information, and conduct further discussions and negotiations if the Best and Final Offers lack adequate information to reach a final selection. At DMPED's sole discretion, Respondents may be asked to present their "Best and Final Offers" to the community to gain additional community feedback.

Final Selection & Notice

Following receipt of any additional information, if requested, DMPED may submit, in its sole and absolute discretion, one or more responses, as modified through any negotiations, to the Mayor as a recommendation. The Mayor, in her absolute discretion, may accept the recommendation. Upon acceptance of a recommendation by the Mayor, DMPED shall notify the selected respondent(s), if any. Ultimately, the Mayor will submit the proposed transaction to the Council for its approval in accordance with applicable District law (see the "Disposition Agreement & Approval" section in this RFP for more details).

DMPED reserves the right, at its sole and absolute discretion, to reject any proposal it deems incomplete or unresponsive to the submission requirements. DMPED also reserves the right, at its sole and absolute discretion, to reject all proposals and re-advertise at a later date. If a submission is deemed incomplete, that Respondents' letter of credit will be returned. In the event that DMPED determine that it should reject all submissions, all deposits will be refunded.

DMPED reserves the right to make the final development selection on the basis of initial Proposals without discussions with the Respondents. Accordingly, Respondents' initial Proposals should contain their best terms from the standpoint of the evaluation factors identified in this RFP. However, DMPED also reserves the right, in its sole and absolute discretion, to conduct discussions with all, or some, of the Respondents and solicit revised Proposals and "Best and Final" offers in order to make the final selection on the basis of such revised Proposals.

Post-Selection Due Diligence

Following receipt of notification from DMPED of the selection, the selected Respondent shall execute a right of entry agreement with the District to allow the selected Respondent to begin due diligence and studies on the property.

Disposition Agreement & Approval

If one Respondent is thereby chosen for commencement of negotiations, the selected Respondent may be requested by the District to proceed to negotiate a disposition agreement. If the District and selected Respondent are unable to execute a disposition agreement within one hundred and twenty (120) days after the date of selection, the District, in its absolute and sole discretion, may terminate negotiations and select a different Respondent who responded to the RFP; re-issue the RFP; issue a modified RFP, or take such other measures as it deems reasonable, appropriate, or necessary. **All costs incurred by the Respondents in responding to this RFP and in performance of due diligence and predevelopment work shall be at Respondents' sole cost and expense. Under no circumstances shall the District be responsible for the reimbursement of any such costs.**

The District, through DMPED, and the selected Respondent will attempt to negotiate in good faith a disposition agreement which shall incorporate the requirements contained in this RFP, the Term Sheet (see Appendix D), and such other terms as may be required by DMPED or may be agreed to by DMPED and the selected Respondent. Upon completion of the parties' negotiation, DMPED will recommend such Respondent and proposed business terms to the Mayor. If the Mayor agrees with DMPED's recommendation, then the Mayor will submit the proposed transaction to the Council for its approval of the disposition of the property in accordance with D.C. Official Code § 10-801 (2008 Supp.). **In accordance with D.C. Official Code § 10-801, the District is not authorized to convey or lease any real property unless and until authorized by the Council.**

TRANSACTION TERMS

Site Condition

As-Is Condition

The property shall be conveyed in “as-is” condition, without representation or warranty by the District as to physical or environmental condition of the land or any existing structures.

Soil or Subsurface Conditions

Notwithstanding prior studies available for Respondents’ review, the District makes no representations regarding the character or extent of soil or subsurface conditions or the conditions and existence of utilities that may be encountered during the course of any work, development, construction or occupancy of the building.

Environmental Remediation

Respondents will be responsible at their sole cost and liability for any environmental remediation that may be associated with removal or disturbance of existing improvements or other preparation of the site.

Predevelopment and Development Costs

Respondents should draw independent conclusions concerning conditions that may affect the methods or cost of development.

- **Respondents shall be solely responsible for all pre-development (including demolition of existing improvements, environmental remediation costs and due diligence studies such as traffic, geotechnical, storm water management, historic preservation reviews, and other site preparations) and project development costs.**
- Respondents shall be solely responsible for all costs related to obtaining necessary permits, approvals, clearances, and licenses at the appropriate time, including, without limitation.

The District expects Respondents to proceed immediately with predevelopment work upon selection, in order to meet the dates in Appendix C (Schedule of Performance). All funds expended on due diligence and predevelopment work during negotiation with the District by Respondent shall be at their sole risk; under no circumstances shall the District be responsible for the reimbursement of any such costs even if the project is not successfully completed due to no fault of Respondent.

RESERVATION OF RIGHTS & MISCELLANEOUS PROVISIONS

Reservation of Rights

The District reserves the right, in its sole discretion and as it may deem necessary, appropriate, or beneficial to the District with respect to the RFP, to:

- Cancel, withdraw or modify the RFP prior to or after the response deadline;
- Modify or issue clarifications to the RFP prior to or after the response deadline;
- After review of one or more responses, the District may request submission of additional information from one, some, or all Respondents;
- The District may request one, some, or all Respondents to modify its response(s), provide additional information, or provide a "Best and Final Response" for the District's review;
- Enter into negotiations with one or more Respondents based on responses submitted in response to the RFP;
- Begin negotiations with the next preferred Respondent in the event that a development agreement cannot be executed within the allotted period of time for negotiations with a prior selected Respondent;
- Make and memorialize modifications to any response in the form of a Memorandum of Understanding between the District and Respondents during the course of best and final negotiations between the District and the Respondents;
- Reject any responses it deems incomplete or unresponsive to the RFP requirements;
- Reject all responses that are submitted under the RFP;
- Terminate, in its sole and absolute discretion, negotiations with any Respondents if such Respondents introduce comments or changes to a development agreement that are inconsistent with its previously submitted response materials;
- Modify the deadline for responses or other actions; and (i) Reissue the original RFP, (ii) issue a modified RFP, or (iii) issue a new RFP, whether or not any responses have been received in response to the initial RFP.

Conflicts of Interest

Disclosure

By responding to this RFP, Respondents are representing and warranting the following to the District:

- i. The compensation to be requested, offered, paid or received in connection with this RFP has been developed and provided independently and without consultation, communication, or other interaction with any other competitor for the purpose of restricting competition related to this RFP or otherwise;
- ii. No person or entity currently or formerly employed by the District or otherwise involved in preparing this RFP on behalf of the District: (i) has provided any information to Respondents that was not also available to all entities responding to the RFP; (ii) is affiliated with or employed by Respondents or has any financial interest in Respondents; (iii) has provided any assistance to Respondents in responding to the RFP; or (iv) will benefit financially if Respondents are selected in response to the RFP; and
- iii. Respondents have not offered or given to any District officer or employee any gratuity or anything of value intended to obtain favorable treatment under the RFP or any other RFP, or contract, and Respondents have not taken any action to induce any District officer or employee to violate the rules of ethics governing the District and its employees. Respondents have not and shall not offer, give, or agree to give anything of value either to the District or any of its employees, agents, job shoppers, consultants, managers, or other person or firm representing the District, or to a member of the immediate family (i.e., a spouse, child, parent, brother, or sister) of any of the foregoing. Any such conduct shall be deemed a violation of this RFP. As used herein, "anything of value" shall include but not be limited to any (a) favors, such as meals, entertainment, and transportation (other than that contemplated by this RFP, if any, or any other contract with the District) which might tend to obligate a District employee to Respondent, and (b) gift, gratuity, money, goods, equipment, services, lodging, discounts not available to the general public, offers or promises of employment, loans or the cancellation thereof, preferential treatment, or business opportunity. Such term shall not include work or services rendered pursuant to any other valid District contract.

On-going Reporting

Respondents shall report to the District directly and without undue delay any information concerning conduct which may involve: (a) corruption, criminal activity, conflict of interest, gross mismanagement or abuse of authority; or (b) any solicitation of money, goods, requests for future employment or benefit of thing of value, by or on behalf of any government employee, officer or public official, any Respondent's employee, officer, agent, subcontractor, labor official, or other person for any purpose which may be related to the procurement of the RFP by Respondents, or which may affect performance in response to the RFP in any way.

Miscellaneous Provisions

Notice of Modifications

DMPED will post on its website (dmped.dc.gov) any notices or information regarding cancellations, withdrawals, modifications to deadlines, and other modifications to this RFP. Respondents shall have an obligation to check the website for any such notices and information, and the District shall have no duty to provide direct notice to Respondents.

Change in Respondents' Information

If after Respondent has provided a response to the District, information provided in a response changes (e.g., deletion or modification to any of Respondents' team members or new financial information), Respondents must notify the District in writing and provide updated information in the same format for the appropriate section of the RFP. The District reserves the right to evaluate the modified response, eliminate Respondents from further consideration, or take other action as the District may deem appropriate. The District will require similar notification and approval rights of any change to Respondents' response or Development Team following award, if any.

Ownership and Use of Responses

All responses shall be the property of the District. The District may use any and all ideas and materials included in any response, whether the response is selected or rejected.

Restricted Communications

Upon release of this RFP and until final selection, Respondents shall not communicate with DMPED or District staff about the RFP or issues related to the RFP except as permitted under this RFP.

Selection Non-Binding

The selection by the District of a Respondent indicates only the District's intent to negotiate with a Respondent, and the selection does not constitute a commitment by the District to execute a final agreement or contract with the Respondent. Respondents therefore agree and acknowledge that they are barred from claiming to have detrimentally relied on the District for any costs or liabilities incurred as a result of responding to this RFP.

Confidentiality

Responses and all other information and documents submitted in response to this RFP are subject to the District's Freedom of Information Act (D.C. Official Code § 2-531 et seq.) ("FOIA"), which generally mandates the disclosure of documents in the possession of the District upon the request of any person, unless the content of the document falls within a specific exemption category (e.g., trade secrets and commercial or financial information obtained from outside the government, to the extent that disclosure would result in substantial harm to the competitive position of the person from whom the information was obtained).

If Respondents provide information that they believe is exempt from mandatory disclosure under FOIA ("exempt information"), Respondents shall include the following legend on the title page of the response:

"THIS RESPONSE CONTAINS INFORMATION THAT IS EXEMPT FROM MANDATORY DISCLOSURE UNDER THE DISTRICT'S FREEDOM OF INFORMATION ACT."

In addition, on each page that contains information that Respondents believe is exempt from mandatory disclosure under FOIA, Respondents shall include the following separate legend:

"THIS PAGE CONTAINS INFORMATION THAT IS EXEMPT FROM MANDATORY DISCLOSURE UNDER THE DISTRICT'S FREEDOM OF INFORMATION ACT."

On each such page, Respondents shall also specify the exempt information and shall state the exemption category within which it is believed the information falls.

Although DMPED will generally endeavor not to disclose information designated by Respondents as exempt information, DMPED will independently determine whether the information designated by Respondents is exempt from mandatory disclosure. Moreover, exempt information may be disclosed by DMPED, at its discretion, unless otherwise prohibited by law, and the District shall have no liability related to such disclosure.

Non-Liability

By participating in the RFP process, Respondents agrees to hold the District, its officers, employees, agents, representatives, and consultants harmless from all claims, liabilities, and costs related to all aspects of this RFP.

Other Limiting Conditions

Withdrawal & Cancellation

If at any time after the District selects a specific Respondent and executes a disposition agreement with the Respondent, and the Respondent does not proceed with the project, then the Respondent must notify the District in writing and provide reasons for its decision. The selected Respondent wishing to withdraw may be subject to the loss of part or all of any deposits previously provided to the District and may be responsible for certain costs previously waived by the District, in addition to any other remedies available to the District under the disposition agreement, or by law. If the District is unable to convey the Development Parcels for any reason, all deposits will be returned to the Respondent and the District shall be released from any and all further liability.

“Stand-Alone” Projects

The development of the Franklin School is expected to be a “stand alone” project, in that Respondents are prohibited from cross collateralizing and cross defaulting the property, or any portion thereof, with any other assets. Moreover, Respondents are prohibited from assigning, pledging, hypothecating, or otherwise transferring its interest in the net cash flows or ownership in the property and project in part, or in whole, without prior District approval. Any additional debt shall require prior written District approval. This limitation shall apply until final completion of the project.

Disclosure of Fees

Respondents shall disclose all development management fees, general contracting fees, construction management fees, property management fees, and other fees that are paid to Respondents or affiliated parties during the life of the project. Failure to do so may result in the District terminating, in its sole and absolute discretion, negotiations with a Respondent or terminating the project.

Restrictions

The District is subject to various laws, rules, policies and agreements that impose legal and ethical constraints upon current and former District employees and consultants with regard to post-employment restrictions vis-a-vis such employee's or consultant's involvement in District-led projects. In particular, restrictions include but are not limited to the following guidelines:

- i. All Respondents, its members, agents, or employees, are prohibited from: (i) making responses of employment, (ii) conducting any negotiations for employment, (iii) employing or, (iv) entering into contracts of any sort, with current employees, consultants, or contractors to the District who are personally and substantially involved in any aspect of this RFP;
- ii. Respondents must disclose in their initial responses the names of any member, employee, or agent who within three (3) years prior to the publication of this RFP were District employees, consultants, or contractors to the District. On a continuing basis, Respondents will be required to provide the District with regular and periodic notices of any and all new hires of employees, contracted agents, or consultants within five (5) days of any such hire;
- iii. This provision shall apply to all Respondents during the conduct of this competition, and will subsequently apply to the selected Respondent until such time as final completion of the development of the project;
- iv. Required disclosures and notices notwithstanding, failure to comply with any obligation described in this provision may result, in the District's sole and absolute discretion, in Respondents' disqualification from consideration under this RFP, the rescission of a Respondent's award, and/or termination of any agreement between a Respondent and the District.

QUESTIONS

All questions regarding this RFP must be submitted via e-mail only to polina.bakhteiarov@dc.gov. Respondents shall not direct questions to any other person within the District except as allowed elsewhere in this RFP. Responses to Respondent questions will be aggregated and posted on the DMPED website: dmped.dc.gov.

APPENDIX A | FORM OF ACKNOWLEDGEMENT

Respondent hereby acknowledges that, if selected by the District to negotiate a disposition agreement, Respondent will enter into a First Source Employment Agreement with the District's Department of Employment Services ("DOES"), pursuant to D.C. Official Code §10-801(b)(7) and D.C. Official Code § 2-219.03 and Mayor's Order 83-265.

Respondent hereby acknowledges that, if selected by the District to negotiate a disposition agreement, Respondent will enter into a Certified Business Enterprise ("CBE") Agreement with the District's Department of Small and Local Business Development ("DSLBD"). Pursuant to D.C. Official Code §10-801(b)(6) and D.C. Official Code §§ 2-218.01 *et seq.*, the selected Respondent will enter into an agreement that shall require the Respondent to, at a minimum, contract with Certified Business Enterprises for at least 35% of the contract dollar volume of the project, and shall require at least 20% equity and 20% development participation of Certified Business Enterprises.

The selected Respondent shall enter into a legally binding Letter of Intent ("LOI") or comparable legally binding agreement between the master developer and the CBE partners that demonstrate that the CBE partners meet or exceed the 20% participation goal established by DSLBD. The CBE partners must be certified by DSLBD and documentation showing certification must be made available to the Deputy Mayor's Office for Planning & Economic Development upon request. LOIs should include the following:

- i. Identify the CBE partners;
- ii. The percentage of equity and development participation of each CBE partner;
- iii. A description of the role and responsibilities for each CBE partner; and
- iv. A description of the anti-dilution provisions for the benefit of the CBE partners that will be applied at all stages of the project.

Date:

Signature:

Print Name:

Affiliation:

Phone Number:

Email Address:

Business Address:

I, _____,
(print name)

hereby affirm that I have carefully read this (the "**Release**") in its entirety. By my signature below, I agree to each and every term and condition of this Release.

1. I acknowledge that the District of Columbia (the "**District**") is the owner of the real property known as Lots 830 and 834 in Square 0442, and Air Rights Lot 8000, together with all improvements located thereon (the "**Property**").

2. I acknowledge and understand that the District has issued a Request for Proposals ("**RFP**") for the Property and that the District, acting by and through the Office of Deputy Mayor for Planning and Economic Development ("**DMPED**"), is offering potential Respondents to said RFP an opportunity to view the Property in which the potential applicant is interested at an "open house," and, further, that the opportunity to view the Property does not constitute an response, representation, warranty or any other agreement on the part of the District with regard to the Property viewed.

3. I represent that I am attending the tour for the Property at the date and time stated:

_____, 2016 from _____ AM / PM – _____ AM / PM

4. I hereby agree to abide by the orders and directions of the representative(s) of DMPED at the tour for the Property. If I fail to comply with such orders or directions, DMPED may, in its discretion, demand that I leave the Property in which event I agree to do so immediately and without causing a disturbance.

5. I hereby acknowledge that the Property may be, either entirely or in part, in a state of disrepair or otherwise hazardous. I hereby assume all risks and accept full responsibility for any and all damage to myself or others arising from or related to my presence on the Property in connection with the tour. I understand and agree that neither I, my heirs, personal representatives, successors, grantees, and assigns, or anyone claiming any interest through me, will bring any legal action whatsoever against the District, its officials, officers, employees, and agents as a result of any damage, injury, loss or death to myself or my property that arises out of my presence on the Property in connection with the tour.

6. I hereby indemnify and hold harmless the District, its officials, officers, employees, and agents from all liabilities, obligations, damages, penalties, claims, costs, charges, and expenses (including reasonable attorney's fees), of whatsoever kind and for injury, including personal injury or death of any person or persons, and for loss or damage to any property caused by or occurring in connection with, or in any way arising out of my presence on the Property pursuant to this Release. If any action or proceeding as described in this paragraph is brought against the District, its officials, officers, employees, or agents for which I bear responsibility as expressly provided under this Release, upon written notice from the District, I shall, pay any fees, costs or expenses incurred by the District to resist or defend such action or proceeding.

7. I hereby acknowledge and agree that the assumption of risk, promise not to sue, waiver of liability, and indemnification provided for in this Release includes loss, injury or damage as a result of the negligent acts or omissions by the District, its officials, officers, employees, and agents.

8. I hereby agree that nothing in this Release shall be deemed to waive any rights of any kind that the District now has, or may hereinafter have, to assert any claim against me, including, without limitation, claims with respect to any and all past events or entry on the Property.

9. I hereby agree that if any provision of this Release is held to be illegal, invalid or unenforceable under present or future laws, such provision shall be fully severable and this Release shall be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part of this Release. The remaining provisions of this Release shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from this Release.

10. I hereby agree that this Release shall be construed under the laws of the District of Columbia without reference to conflicts of laws principles;

11. I hereby waive (i) any objection to the venue of any action filed in any court situated in the jurisdiction in which the property is located, (ii) any right, claim, or power, under the doctrine of forum non conveniens or otherwise, to transfer any such action to any other court, and (iii) trial by jury in any action, proceeding, claim, or counterclaim brought in connection with any matter arising out of or in any way connected with this Release.

12. I hereby agree that this Release shall be binding upon my heirs, personal representatives, successors, grantees, and assigns.

Date: _____

Signature: _____

Print Name: _____

Affiliation: _____

Phone Number: _____

Email Address: _____

Business Address: _____

WITNESS:

Date: _____

Signature: _____

Print Name: _____

Affiliation: _____

Phone Number: _____

Email Address: _____

Business Address: _____

APPENDIX C | SCHEDULE OF PERFORMANCE

(To be completed and submitted with RFP response)

Milestone	Completion Date	Party Responsible
Final Selection & Notice	Fall 2016	DMPED
Submission of Disposition Agreement and supporting exhibits for Council approval		Developer
Execution of Disposition Agreement (subject to Council approval of surplus and disposition legislation)	Spring 2017	DMPED & Developer
Submission of Disposition Agreement Payment		Developer
Submission of application to the DC Historic Preservation Review Board		Developer
Submission of application to the DC Zoning Commission		Developer
Permit Drawing Submission to DMPED		Developer
Permit Drawing Submission to DCRA		Developer
Building Permit Issuance		Developer
Closing and Submission of Closing Payment		Developer
Construction Commencement		Developer
Substantial Completion of Construction		Developer
Certificate of Occupancy Issued		Developer

APPENDIX D | STATEMENT OF MINIMUM BUSINESS TERMS

Disposition of Parking Deck at 2nd & K St NW
(Square 0560, Lots 830 and 834, Air Rights Lot 7000)

Lessor	Government of the District of Columbia, acting by and through the Deputy Mayor for Planning and Economic Development (the " District ")
Lessee/Purchaser/Developer	Entity Name: _____
Description of Real Property	The parcels of land known for tax and assessment purposes as Lots 830 and 830, and Air Rights Lot 7000 in Square 0560 (the " Development Parcels ").
Disposition Structure	<p>The Development Parcels may be conveyed by the District to the Respondent via a ground lease term of no less than 50 years under DC Official Code § 10-801(b)(8)(C), or</p> <p>The Development Parcels may be conveyed by the District to the Respondent in fee (via Special Warranty Deed) pursuant to DC Code § 10-801(b)(8)(F).</p> <p>Respondent proposes the following Conveyance Structure:</p> <p>_____</p>
Disposition Agreement Payment	In consideration of the District entering into the disposition agreement, Developer shall pay to District \$ _____ at the time of executing the disposition agreement (the " Disposition Agreement Payment "). The Disposition Agreement Payment shall be placed in escrow until Closing but shall not be refundable, except in event of District default under the Disposition Agreement.
Closing Payment	In partial consideration of the District's conveyance of the Development Parcels to the Developer, Developer shall pay to District \$ _____ at the time of Closing (the " Closing Payment "). The Closing Payment shall not be refundable.
Purchase Price (If fee simple acquisition)	Developer shall pay to District \$ _____ for fee simple conveyance of the property.
Purchase Price Payment	<i>Developer to propose payment structure of Purchase Price:</i>
Annual Base Rent (If ground lease)	Developer shall pay to District \$ _____ in annual base rent.
Annual Base Rent Escalation	Annual base rent shall increase by ____% on (i) the ____ anniversary of the Closing date and (ii) shall increase ____% every subsequent ____ anniversary of the initial rent escalation date during the term of the ground lease.
Rent Payment Terms	Rent payments shall commence at Closing. <i>Developer to propose annual payment terms:</i>
Fair Market Value (FMV) Annual Ground Rent Recalculations	Annual base rent shall be recalculated on every 10th anniversary of the commencement date of the ground lease during the term of the ground lease. Each recalculation shall be based on the then-current fair market value of the Development Parcels, determined by appraisal, which shall be equal to the product of (x) 100% of the appraised value, determined as if the Development Parcels were (1) encumbered by the ground lease, (2) unimproved by any improvements, and (3) to be used for the actual uses in place, multiplied by (y) the Rent Factor; provided that the annual base rent resulting from each recalculation shall not be greater than 120% or less than 100% of the preceding year's annual base rent.
Redevelopment and Operational Costs	The Developer shall be solely responsible for the costs of redevelopment and future operation of the Development Parcels. The Developer shall be solely responsible for the payment of all utilities, permit fees, assessments and taxes relating to the Property, including, if applicable, possessory interest tax assessed under D.C. Official Code § 47-1005.01.
Conditions of Closing	In addition to the other District standard conditions of Closing, the District's obligation to convey the Property is conditioned upon:

	<ul style="list-style-type: none"> • The District's approval of the Developer's design, budget and project financing plan; • Developer's obtaining financing and equity to fund 100% of the development; • Developer's providing the District development and completion guaranties and land note guaranties to the District's satisfaction; • Developer having received all necessary zoning approvals or any zoning relief deemed necessary to accomplish the Project. • Developer having received all necessary permits and other approvals required for commencing construction of the project.
Developer Financing	Developer shall be responsible for obtaining financing and equity to fund 100% of the Development Program. The District agrees to cooperate with Developer in connection with Developer's proposed financing of the Development Program pursuant to a project funding plan (approved by the District). The District shall not be obligated to extend any additional loan to Developer or grant any funds to Developer in connection with the financing of the Development Program by Developer, and the District shall incur no liability whatsoever should Developer fail to obtain or close on financing for the Project.
Affordable Housing	<p>In the event that the Development Parcels are being developed as a residential project, the District requires that the development team comply with the applicable Inclusionary Zoning affordable housing requirements, and the requirements of the Disposition of District Land for Affordable Housing Amendment Act of 2014 (D.C. Act 20-485) ("ADU Act").</p> <p>Complete per Proposal: Respondent proposes _____% of the housing units will include affordable units, with _____% at _____% AMI; _____% at _____% AMI; _____% at _____% AMI.</p>
Green Building Requirements	<p>Developer shall construct the project improvements in accordance with the <i>Green Building Act of 2006</i>, D.C. Official Code § 6-1451.01, <i>et seq.</i> (2007 Supp.) and DC's Storm water Management Program stated in 21 DCMR, Chapter 5. In addition, Developer must submit with its building permit application a LEED checklist indicating that the Improvements are designed to include sustainable design features such that the Improvements meet the standards for certification as a LEED building the appropriate LEED certification level per to the requirements of the Green Building Act. Developer must also register the building with the U.S. Green Building Council, must construct the Improvements in accordance with the building permit, and must use commercially reasonable efforts to obtain LEED certification at the appropriate LEED certification level per to the requirements of the Green Building Act for the Improvements once construction has been completed.</p> <p>Complete per Proposal: Respondent proposes to deliver a project with the following sustainability considerations/green building level: _____</p>
Design Review	District shall have the right to approve project plans and drawings related to the design, development, and construction of the improvements on the Property to ensure the quality and compatibility of the proposed improvements.
Post-Closing Requirements	Developer shall be bound by the requirements of a Construction & Use Covenant and the Land Note to be attached to the Disposition Agreement, which may be amended with the approval of the District.

The Respondent hereby acknowledges its agreement to be bound to the provisions of this Statement of Minimum Business Terms in the event the Respondent is selected to negotiate for the development and disposition of the Property. The terms of the disposition and ground lease shall be consistent with the terms of this Statement unless the District otherwise agrees in writing, in its sole and absolute discretion.

RESPONDENT:

BY: _____

Name:

Title:

ISSUER:
[Name of bank]
[Bank address]

Date of Issue: [Month, day, and year of issue]

IRREVOCABLE STANDBY LETTER OF CREDIT NO. [Letter of credit number]

Beneficiary

District of Columbia, by and through
The Office of Deputy Mayor for
Planning and Economic Development
1350 Pennsylvania Avenue NW, Suite 317
Washington DC 20004
Attention: Deputy Mayor for Planning
and Economic Development

Applicant

[Name of developer]
[Address of developer]

AMOUNT: \$[Letter of credit amount]

EXPIRY DATE: [Letter of Credit month, day, and year of expiration] subject to renewal provisions herein
PROJECT: Parking Deck at 2nd & K St NW – Development Team

Ladies and Gentlemen:

We hereby establish our Irrevocable Standby Letter of Credit [Letter of credit number] ("Letter of Credit") in favor of Beneficiary for the account of Applicant up to an aggregate amount of _____ U.S. DOLLARS (U.S. \$[Letter of credit amount]) available for payment when accompanied by the following three items:

1. A draft at sight drawn on [Name of bank] duly endorsed on its reverse thereof by a duly authorized representative of the Beneficiary, specifically referencing this Letter of Credit Number [Letter of credit number];
2. The original of this Letter of Credit; and
3. A dated statement issued on the letterhead of Beneficiary, stating: "The amount of this drawing is \$_____, drawn under Irrevocable Standby Letter of Credit No. [Letter of credit number] and represents funds due and owing to the District of Columbia." Such statement shall be conclusive as to such matters and Issuer will accept such statement as binding and correct. Issuer shall have no right, duty, obligation or responsibility to evaluate the performance or nonperformance of any underlying agreement between Applicant and Beneficiary before performing under the terms of this Letter of Credit.

This Letter of Credit shall automatically renew for a two year term upon the Anniversary of the expiry date set forth above (the "Anniversary Date") until [Letter of Credit month, day, and year of expiration] unless (i) earlier released by Beneficiary in writing or (ii) Issuers delivers written notice to both Applicant and Beneficiary that this Letter of Credit will not be renewed on the Anniversary Date upon which this Letter of Credit will no longer be renewed. Notwithstanding any terms and/or conditions to the contrary, this Letter of Credit will expire no later than [Letter of Credit month, day, and year of expiration].

If a drawing made by Beneficiary under this Letter of Credit reaches the address provided on this Standby Letter of Credit via Courier (FEDEX or DHL) on or prior to 1:00 PM (Eastern Time) on a Business Day (Defined below) and, provided that such drawing and the statement presented in connection therewith conform to the terms and conditions hereof, payments shall be made to Beneficiary in the amount specified, in immediately available funds, on the same Business Day. If a drawing is made by Beneficiary under this Letter [Letter of credit number] of Credit after 1:00 pm (Eastern Time) on a Business Day and, provided that such drawing and the statement presented in connection therewith conform to the terms and conditions hereof, payments shall be made to Beneficiary in the amount specified, in immediately available funds on the next Business Day. If requested by Beneficiary, payment under this Letter of Credit may be deposit of immediately available funds into an account designated by Beneficiary. As used herein, the term "Business Day" shall mean any day other than a Saturday, Sunday or a day on which banking institution in the District of Columbia are authorized or required by law to close.

Drafts drawn under and in compliance with the terms of this Letter of Credit will be duly honored if presented by the Mayor, City Administrator, Deputy Mayor for Planning and Economic Development, or one of their duly authorized representatives, on or before the Expiry Date to Issuer's office at the address of Issuer set forth above.

This undertaking is issued subject to the International Standby Practices 1998 ("ISP98"). As to matters not expressly governed by ISP98, this Letter of Credit is governed by and shall be construed in accordance with the laws of the District of Columbia.

This Letter of Credit set forth in full terms of our undertaking. This undertaking shall not in any way be modified, amended, amplified or incorporated by reference to any document, contract or other agreement, without the express written authorization of Issuer, Beneficiary and Applicant.

Should you have occasion to communicate with us regarding the Letter of Credit, kindly direct your communication to the attention of Letters of Credit Dept. to the address aforementioned stating as reference our Standby Letter of Credit Number [Letter of credit number].

Truly Yours,

Authorized Signature

Name (printed)

APPENDIX F | UTILITIES DATA FOR AFFORDABLE HOUSING

U.S. Department of Housing and Urban Development Section 8 Existing Housing Allowances for Tenant Furnished Utilities and Other Services					4/1/2016	
Washington, DC			Town House - Interior			
Utility or Service	Monthly Dollar Allowance					
	EFF.	1BR	2BR	3BR	4BR	5BR
Heating						
a. Natural Gas			\$60	\$72	\$84	\$96
b. Bottle Gas						
c. Oil			\$129	\$155	\$181	\$207
d. Electric			\$181	\$217	\$253	\$289
Air Conditioning			\$24	\$29	\$34	\$39
Cooking						
a. Natural Gas			\$15	\$17	\$19	\$20
b. Electric			\$21	\$26	\$30	\$33
c. Bottle Gas						
Other Electric: Lighting, Refrigeration, etc.			\$45	\$54	\$63	\$72
Water Heating						
a. Natural Gas			\$21	\$26	\$31	\$41
b. Electric			\$30	\$40	\$50	\$70
c. Bottle Gas						
d. Oil			\$28	\$37	\$46	\$65
Water			\$39	\$52	\$65	\$90
Sewer			\$52	\$70	\$87	\$122
Trash Collection						
Excess Charges						
Window Air Conditioner	\$7	\$7	\$7	\$7	\$7	\$7
Washer	\$7	\$7	\$10	\$12	\$14	\$16
Freezer	\$5	\$5	\$5	\$5	\$5	\$5
Dryer	\$7	\$7	\$11	\$13	\$16	\$18
Dishwasher	\$4	\$4	\$4	\$5	\$5	\$6

* Cost per appliance per month based on an annualized cost derived from data from the U.S. Department of Energy's Efficiency and Renewable Energy Clearinghouse and the General Services Administration